

Message Text

LIMITED OFFICIAL USE

PAGE 01 PRETOR 00178 121200Z

ACTION AF-08

INFO OCT-01 IO-13 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

AGRE-00 AID-05 COME-00 EB-07 FRB-03 TRSE-00 XMB-02

OPIC-03 CIEP-01 LAB-04 SIL-01 OMB-01 /094 W

-----121208Z 016629 /16

R 121103Z JAN 77

FM AMEMBASSY PRETORIA

TO SECSTATE WASHDC 6615

INFO AMEMBASSY GABORONE

AMEMBASSY MASERU

AMCONSUL JOHANNESBURG BY POUCH

AMCONSUL CAPE TOWN

USMISSION USUN NEW YORK

LIMITED OFFICIAL USE PRETORIA 0178

CAPE TOWN ALSO FOR EMBASSY

DEPT PASS AGRICULTURE

E.O. 11652: N/A

TAGS: ETRD, EPAP, SF, LT

SUBJECT: SOUTH AFRICA WITHDRAWS SUBSIDY ON MAISE AND

WHEAT EXPORTS TO LESOTHO

1. IN INTERVIEW IN DIE TRANSVALER JANUARY 11, BRAND FOURIE, SECRETARY FOR FOREIGN AFFAIRS, CONFIRMED SOUTH AFRICA HAD WITHDRAWN ITS SUBSIDY ON SOUTH AFRICAN MAISE AND WHEAT SOLD TO LESOTHO, EFFECTIVE JANUARY 1. SUBSIDY REMAINS IN EFFECT FOR SALES TO BOTSWANA AND SWAZILAND. FOURIE ADDED THAT AMOUNT INVOLVED AS RESULT OF THIS STEP WAS UNDER R300,000 AND NOT R2.5 MILLION WHICH LOCAL PRESS HAS QUOTED LESOTHO OFFICIALS AS SAYING WITHDRAWAL OF SUBSIDY WOULD COST. FOURIE DECLINED TO GIVE SPECIFIC REASONS FOR ACTION IN INTERVIEWS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 PRETOR 00178 121200Z

2. IN DISCUSSION WITH EMBOFF, WORKING LEVEL DFA OFFICER ON BLS DESK CONFIRMED POINTS FOURIE HAD MADE AND ADDED THAT STEP MOTIVATED BY RECENT GOL ACTIONS ON INTERNATIONAL SCENE, I.E. GOL ATTACKS ON SOUTH AFRICA OVER TRANSKEI BORDER ISSUE.

3. MANNER IN WHICH SOUTH AFRICAN GRAIN SUBSIDY OPERATES IS THAT WHEAT AND MAISE ARE PURCHASED FROM PRODUCERS BY GRAIN MARKETING BOARDS AND RESOLD TO DOMESTIC DEALERS AT LOWER SUBSIDIZED PRICE. SUBSIDY ON MAISE IN 1975/76 SEASON AMOUNTED TO AROUND 18 PCT INVOLVING PURCHASES FROM PRODUCERS AT R62 PER METRIC TON AND DOMESTIC RESALE AT R50-R52.30 PER TON. LEVEL OF SUBSIDY IN 1976/77 SEASON LIKELY TO BE SOMEWHAT LOWER. UP TO THIS POINT, BLS COUNTRIES WERE TREATED AS DOMESTIC MARKETS FOR SUBSIDY PURPOSES. PRESUMABLY LESOTHO WILL NOW HAVE TO PAY SAME EXPORT PRICE FOR SOUTH AFRICAN MAISE PAID BY OTHER FOREIGN PURCHASERS (CURRENTLY R104 PER TON).

4. PREVENTING SUBSIDIZED GRAIN FROM BEING CLANDESTINELY IMPORTED INTO LESOTHO MAY PROVE A PROBLEM FOR SAG IN LIGHT OF CUSTOMS AREA ABSENCE OF FORMAL IMPORT-EXPORT CONTROLS BUT DFA OFFICER BELIEVED SAG HAD ADMINISTRATIVE MACHINERY TO COPE WITH PROBLEM.
BOWDLER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EXPORT SUBSIDIES, GRAINS, ECONOMIC PROGRAMS
Control Number: n/a
Copy: SINGLE
Sent Date: 12-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PRETOR00178
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770011-0957
Format: TEL
From: PRETORIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770159/aaaabzhg.tel
Line Count: 80
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 965670da-c288-dd11-92da-001cc4696bcc
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3615165
Secure: OPEN
Status: NATIVE
Subject: SOUTH AFRICA WITHDRAWS SUBSIDY ON MAISE AND WHEAT EXPORTS TO LESOTHO
TAGS: ETRD, EPAP, SF, LT
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/965670da-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009